

5.5 Employees must submit a copy of their military pay record to the Company if pay is requested.

5.6 If employees desire to take voluntary training leave that is not required for maintenance of membership in a reserve unit, they may apply for a personal leave of absence without pay.

6. Long-Term Military Leave

6.1 Employees who leave work to enter the U.S. Armed Forces are eligible for an unpaid military leave of absence for the duration of their service, or four (4) years, whichever is less, unless additional leave is required by law.

6.2 Employees returning from a military leave of absence will be eligible for reinstatement in accordance with applicable laws.

6.3 Employees who fail to report for work within ninety (90) calendar days of (a) the date of discharge or after (b) a hospitalization which continued after discharge will be considered as having voluntarily resigned.

7. Leave For Public Office

7.1 Employees who have completed the evaluation period and are elected or appointed to full-time public office are eligible for an unpaid leave of absence for the duration of the first term of office.

7.2 A request for this leave of absence must be made in writing and submitted to the Company immediately after being elected or appointed.

7.3 At the option of the Company, this leave may be renewed for successive terms of office.

8. Personal Leave

8.1 Employees who have completed the evaluation period are eligible to request an unpaid leave of absence for legitimate personal reasons for a reasonable period, for not less than five (5)

consecutive nor more than thirty (30) consecutive working days. Such leaves will be extended or renewed for serious or compelling reasons at the option of the Company.

8.2 Personal leaves are granted at the discretion of the Company and are not intended to be used for vacation purposes.

9. Sick Leave

9.1 Employees who become ill or disabled are eligible for an unpaid leave of absence after an absence of five (5) consecutive working days. Requests for such leave will be submitted within this five (5) day period and will include medical documentation from their attending physician indicating they are unable to work and the estimated duration of their absence. The Company may, at its expense, request an impartial medical opinion from a mutually agreed upon medical examiner.

9.2 Sick leave for pregnancy will begin as of the date the employee's physician certifies the employee is no longer able to perform her normal job duties. This leave will end as of the date the employee's physician releases her to return to normal job duties. A pregnant employee will promptly notify the Company about the pregnancy so that appropriate consideration can be made.

9.3 A sick leave of absence may not exceed the employee's length of seniority as of the date of the illness or disability, or eighteen (18) months for an employee with less than one (1) year of seniority, or thirty-six (36) months for an employee with more than one (1) year of seniority, whichever is greater.

9.4 In compensable injury and legal occupational disease cases, sick leave will be granted automatically and seniority will accumulate for the full period of legal temporary disability. Employees disabled during evaluation period by compensable injury or legal occupational disease shall be given credit for the period of such disability toward acquiring seniority.

9.5 At least one (1) day prior to the anticipated return to work date, employees must present evidence to the Medical Department that they have been released to return to their normal job duties. The Company will make the final decision as to the employee's ability to return to the employee's normal job duties.

10. Union Activity Leave

When Union activity related to the Union business necessitates the absence of an employee from work, the Company will grant this leave of absence to the employee without pay for the time specified. This absence shall not jeopardize the employee's position or status as an employee of the Company. This leave of absence will not be extended for more than a period of one (1) year or for the duration of the term of elected office. Request for this leave must be made at least five (5) working days prior to the date the leave is to begin.

11. Educational Leave Of Absence

11.1 Employees with one or more years of seniority may make application for a leave of absence for any full-time further education.

11.2 One continuous leave of absence for such education will be granted without pay to eligible employees for a period not to exceed twelve (12) months, subject to Company approval.

12. Application For Leave Of Absence Procedure

Employees seeking a leave of absence must request the leave in writing to the Company, as far in advance as possible of the date the leave is to begin, but no later than five (5) days prior to the date the leave is to begin. In case of a medical emergency or a death in the family, a written or verbal request for leave must be made not later than five (5) calendar days after the first day of absence.

13. Return From Leave

The Company will return the employee to the original Group held prior to the leave seniority and qualifications permitting, provided

that the employee returns from the leave within **thirty (30)** days from the start of the leave.

14. Accumulation Of Seniority

Seniority will accumulate during the period of absence for the leaves described in this Article.

XXIV. GROUP INSURANCE PROGRAM, HEALTH CARE INSURANCE PROGRAM, RETIREMENT PLAN, SAVINGS PLAN, RESERVE FUND PLAN, LEGAL SERVICES PLAN AND SUPPLEMENTAL WORKERS' COMPENSATION PLAN

1.1 A Group Insurance Program, Health Care Insurance Program, Retirement Plan, Savings Plan, Reserve Fund Plan, Legal Services Plan and Supplemental Workers' Compensation Plan and agreement with respect to their administration have been agreed to by the parties and are made part of this Agreement by this reference. The provisions of the plans and programs shall be applicable to employees represented by the Union for the term of this Agreement. An outline of the provisions of the plans and programs are shown on Appendix B.

1.2 The Company may change the insurance carrier through which it provides the Group Insurance Program and the Health Care Program. However, prior to any change in carrier the parties will meet and confer over the reasons for any change at least sixty (60) days in advance of such change. The change in carrier shall not result in any loss of benefits to the employees.

1.3 The provisions of this Article are not subject to the Problem Resolution Procedure Article X.

XXV. HEALTH, SAFETY AND ERGONOMICS

1.1 The Company recognizes its obligations and responsibilities to provide a safe and healthful working environment for its

employees. The Company is proud of its past accomplishments in this area and is committed to continue to work closely with the Union in developing and implementing health, safety, & Ergonomics programs that could be a model for use throughout the industry. Fundamental to achieving this goal is the active involvement of all employees. To support those joint programs, the Company recognizes that the Union General Representatives in Health & Safety and the UAW Coordinator for Health, Safety and Ergonomics will participate in every aspect of such programs. The parties recognize their obligation to cooperate in maintaining and improving a safe and healthful working environment, and to use all their best efforts jointly to achieve these objectives.

1.2 Therefore, it is agreed by the parties that a Joint Safety Committee be established which will have the overall responsibility and authority to establish, maintain and supervise a complete, total and comprehensive Health and Safety Program in the plant that will meet the objectives noted above.

1.3 Nothing in this Article creates any rights against the Union enforceable by the Company or by an individual employee.

2. Joint Safety Committee

2.1 The Joint Safety Committee shall consist of six (6) Representatives of each party:

The Union Representatives will be:
President of the Local Union; and The UAW Coordinator for Health, Safety and Ergonomics; and The UAW General Representatives for Health and Safety; and The Bargaining Committee Chairperson; and One (1) Bargaining Unit Employee, who will serve for One (1) year rotating term, appointed by the Union.

The Company Representatives will be:
The Vice President of Human Resources; and The Vice President of Manufacturing; and The General Manager of Engineering;

and The Manager of Safety; and The Manager, Team Member Relations; and The General Manager(s) of Manufacturing.

2.2 The President of Local Union and the Vice President of Manufacturing, shall serve as Co-Chairperson of the Joint Safety Committee. The committee shall meet monthly.

2.3 **The committee objectives are to:**
Effectively implement and monitor key program elements. Among them are:

- injury and illness prevention;
 - ergonomics;
 - noise abatement and hearing conservation;
 - training;
 - preventative maintenance;
 - new machinery and equipment review;
 - toxic material reduction;
 - lockout;
 - confined space entry;
 - fall prevention;
 - ventilation; and
 - audit and ensure compliance with safety rules, procedures and programs.
- **Rigging**

The UAW Coordinator for Health, Safety and Ergonomics will be notified in advance of health and safety inspections by OSHA, insurance loss control and boiler inspectors, City of Fremont Fire Department, Alameda County Department of Health officials, and licensed health and safety inspectors required or by health and safety consultants retained by the Corporation, and will be afforded an opportunity to accompany such officials or consultants and provide any pertinent information to them. A copy of such reports, including those of insurance inspectors, will be provided to the UAW Coordinator for Health, Safety and Ergonomics.

2.4 The Joint Safety Committee will convene a working group comprised of but not limited to, the Safety Section Representatives, the UAW Representatives for Ergonomics, Health and Safety, the UAW International Transnational Department, the Health Safety Department, and Regional Representatives to conduct an annual review of the entire safety program. Additional specific experts will be invited to provide expertise as needed. This review is to be completed in the month of January each year. Results of the annual review will be used to develop a joint annual plan of action to address the top safety issues. Quarterly status checks will be conducted jointly in June, September and December of each year to review the progress of the annual action plan. The initial action plan will start development in November 2005 with completion by the end of January 2006.

The working group will review the completion of health and safety issues contained in the Health and Safety side letter, developing a yearly training plan, developing modifications to or creation of safe operating practices, improving the ergonomics process, the adoption of best practices, identification of top focus areas and groups, and performing activities that will directly address the root causes of the issues affecting the safety of the Team Members. The findings and action plan will be presented to the Joint Safety Committee for review, comment and authorization by the end of January of each year. The Joint Annual Plan will be in effect from April 1st thru March 31st and will be renewed yearly.

3. Problem Resolution

3.1 Every reasonable effort shall be made to settle problems promptly and through discussion. Employees should discuss and attempt to resolve health and safety issues with the appropriate Group Leader. Failing resolution, the problem should be reduced to writing by the appropriate Union representative(s) on a safety problem resolution form. Problems will be resolved by means of

the Health, Safety and Ergonomics Problem Resolution Procedure set forth below:

3.2 Health, Safety and Ergonomics Problem Resolution Procedure.

STEP	UNION REPS	COMPANY REPS	TIME LIMIT
1	District Committee- person or General Representatives for Health and Safety or the UAW Coordinator for Health, Safety and Ergonomics	Section Manager	5 days
2	Bargaining Committee person and the General Representatives for Health and Safety or the UAW Coordinator for Health, Safety and Ergonomics	General Manager	5 days
3	International Rep., UAW Chairperson, Bargaining Committee	Vice President Manufacturing Vice President OF HR	As agreed between the Company and Union up to a maximum of 30 days
4	UAW Vice President	Vice President OF HR	As agreed among the parties
4	Ultimate Resolution		

The time frames set forth in the above table may be extended upon mutual agreement of the parties.

4. Ergonomics

4.1 The Company and the UAW have established a comprehensive ergonomics program at NUMMI. The elements of the program include Injury and Illness Analysis, Job Evaluation, Implementation of countermeasures, Medical Management and Training.

The program is administered by the Joint Safety Committee.

All ergonomics activities within NUMMI will be conducted under the direction of the Joint Safety Committee. Ergonomic kaizen activities that may occur in teams, groups, sections and departments will be encouraged and supported.

The Company will designate a management representative to work on ergonomics with the Union General Representative for Ergonomics.

Department/Section Ergonomics Committees are established which consist of a UAW Committee person, a skilled trades representative, the UAW General Representatives for Health and Safety, a Company Ergonomics Representative, the UAW Coordinator of Health, Safety and Ergonomics, Manager(s), Department Engineer and the Safety Coordinator designated to perform job evaluations. The Section Manager will chair the committee. Meeting minutes will be kept.

4.2 Injury and Illness Analysis

The Company has implemented occupational injury and illness data systems. Reports are generated on a regular basis and circulated to members of management and posted in designated locations in the plant. The reports show trends, distribution by type of injury and areas highest in injury frequency. The Joint Safety Committee and Section Ergonomics Committees utilize the reports to focus efforts in areas where risk is highest and to monitor the overall effectiveness of the ergonomics program.

4.3 Job Evaluation

The Company and Union agree to jointly kaizen the existing ergonomic job evaluation methods. These methods of evaluation will incorporate the best practices of past methods of evaluation and include additional criteria based on the latest scientific information and guidelines used by other auto manufacturers that have been found to be effective and support the Toyota Production System. Job evaluation methods will be continuously

improved, based on mutual agreement, to ensure that they accurately reflect the risks on jobs. Computerized data collection systems **NEBA or subsequent analysis tool will be utilized.**

The Company will continue to encourage employees to report to their Group Leader, orally or in writing, symptoms of ergonomic injury or ergonomic risk without fear of reprisal or discrimination.

Symptom surveys will be conducted in all plant operations every two years. Symptom surveys will be jointly developed and may include health and safety related questions.

The Union and Company agree to establish a special ergonomics task force to conduct job analysis and recommend countermeasures. The task force will include four full time UAW members selected by the Vice President, Director, of the UAW International Transnational Department. Additional members will be added as necessary. Two (2) task force members will be assigned to the day shift (1st shift) and two (2) task force members will be assigned to the night shift (2nd shift) by seniority. The Company will designate a representative to oversee day-to-day functioning of the task force including areas of responsibility. The ergonomics task force will be assigned to the Plant Operations Departments.

Jobs are evaluated with an ergonomic assessment tool (NEBA and/or NIOSH Lifting Guidelines) within two weeks of an injury or complaint. A copy of the evaluation will be provided to the Group Leader, injured team member, the Section Manager and Safety Section.

The Company has developed a computerized inventory of all production jobs on the Truck and Passenger assembly lines. **The Job Safety Analysis (JSA) system along with NEBA will be used to link injuries and evaluations to specific production jobs.**

The Company will provide appropriately furnished workstations for the ergonomic task force members to conduct business.

Evaluations will be performed on all jobs in production sections, including Conveyance and Production Control, and when:

- An employee reports complaint of injury or risk of ergonomic injury;
- An employee is diagnosed with an ergonomic injury;
- The Company becomes knowledgeable of an ergonomic risk in a specific work activity;
- There is a major model change. (Performed at the earliest stage of development and always prior to production);
- A Safety Concern Activity Report form is submitted alleging an ergonomic risk.

Evaluations will be updated when an employee is newly diagnosed with an ergonomic injury or when the job or operation is substantially changed or after countermeasures have been implemented.

The components of a worksite evaluation will include but are not limited to: 1) asking the team member which work activity may be causing the injury or symptom, 2) identifying the specific work activities that are likely contributors to the ergonomic risk, symptom, or diagnosis, 3) observation of job, 4) identification and evaluation of potential countermeasures to reduce ergonomic risk 5) asking the employee for ideas about minimizing ergonomic risk factors and 6) a description of the feasible control measures to be implemented. Such analysis includes input from team members whose jobs will be affected by the modification.

All job evaluations including updates, will be documented. This includes evaluations performed on new jobs prior to a model change.

Upon receipt of an ergonomic job evaluation from an ergonomics task force member, the Group Leaders will take action to implement countermeasures within 5 days. If the problem job is

not resolved within 5 days, the problem will be reported to the Assistant Manager by the ergonomics task force member. If the problem job is not resolved by the Assistant Manager within 5 days, it will be reported to the Manager. If the problem job is not resolved within 5 days, it will be referred to the Department Assistant General Manager and/or General Manager.

4.4 Countermeasures

The Company will use feasible engineering controls and administrative controls to eliminate or reduce **Safety Hazards** and ergonomic risk. Control measures are deemed necessary when any work-related ergonomic risk causes or aggravates symptoms of an ergonomic injury **or illness**, or when job activities are substantially likely to result in the development of an injury **or illness**.

Engineering controls will be utilized whenever feasible. When engineering controls are determined to be necessary, feasible administrative controls will be used as necessary to control ergonomic risk before engineering controls are implemented. Administrative controls will not be used as a substitute for engineering controls.

Control measures will be implemented in a timely manner, based on the severity of the hazard.

A master list of all ergonomic problem jobs for the facility will be maintained. Problem jobs that are not corrected within two months will be placed on the agenda for the next meeting of the Joint Safety Committee.

4.5 Training:

Two hours of ergonomics training will be provided for Car and Truck departments during Twenty minute safety meetings for the life of this contract. Four additional hours of ergonomic training will be provided to Car department during Major Model Launch. The training will include symptoms and consequences, risk factors (posture, force and

repetition), methods to minimize risk and the importance of reporting problem jobs, ergonomic injuries and symptoms.

Team Leaders, Group Leaders, Assistant Managers and Managers will receive a minimum of 4 hours of initial ergonomics training. Refresher training will be provided as necessary.

The Company will provide one week of training for ergonomic task force members each year. Training provided during the first year of the contract will include: anthropometry, ergonomic design guidelines, risk factors, countermeasures, the NIOSH 1991 Lifting Formula, human anatomy, types of cumulative trauma disorders, shop floor practice using analysis tools and checklists, and gathering data on forces. A member of the UAW Health and Safety Department staff may assist in the development and delivery of the training.

In addition to the training above, members of the ergonomics task force will be scheduled to attend one joint UAW Ergonomics conference a year. The Company will cover all related expenses.

Members of the Pilot Teams will receive a minimum of 24 hours of initial ergonomics training. Training will cover process of ergonomic review prior to jobs being released to floor. This process will include a preliminary checklist and final evaluation with NEBA.

4.6 Medical Management.

- The Company maintains a system of medical management, which includes employee access to medical personnel who are trained in current procedures for evaluation and treatment of cumulative trauma disorders.
- The Company's medical management program includes early detection and evaluation of work-related ergonomic injuries and symptoms of ergonomic injuries.
- When there is an ergonomic injury related work restriction, the medical personnel shall prepare a work status report, which clearly describes the motion of activity that is to be avoided or reduced. Employees will be placed only on jobs

within their medical restrictions. An employee may request a re-evaluation of medical restrictions if a problem occurs in performing the activities of the assigned job.

- The Company will provide, upon request, a copy of the medical records to the employee.
- When a team member uses a medication or medical supply from a Comfort Kit for a work related condition, the Group Leader will list on a log the team member's name, date, nature of illness or injury and items taken from the kit. The Company will continue to refer team members to the medical department for appropriate medical care and OSHA log recording.

4.7 Annual Review

The Company and Union will jointly audit the entire ergonomics process each year and make recommendations for improvements to the Joint Safety Committee.

The Company will take whatever action is necessary to comply with applicable laws and regulations pertaining to employees' health, safety and ergonomics. Where the Company has reason to believe that a violation of a law or regulation is occurring or may occur, it may take whatever action is necessary to discontinue or prevent such violation.

5. Professional Development

The Company will continue to support and fund professional development for Union Health and Safety and Ergonomics Representatives and the UAW Coordinator for Health, Safety and Ergonomics, unless the parties mutually agree to modifications.

6. Noise

The Company will continue to administer a Noise Control and Hearing Conservation Program. The goal of the program will be to continuously reduce the percentage of employees required to wear hearing protection. A noise abatement plan will be developed on an annual basis and reviewed with the Local Union to provide an opportunity for suggestions intended to improve the

plan. The Company recognizes the importance of considering the noise level when purchasing new equipment. The Company will make its best efforts to achieve an 80 dB standard, if and where technologically and financially feasible, and when the Company controls the purchasing decision.

A joint Noise Control Committee will be established. The Noise Control Committee will consist of representatives from Plant Engineering, Manufacturing Operations, Medical, Safety and Industrial Hygiene Section and the Joint Safety Committee, and others as deemed appropriate by the Joint Safety Committee, such as certain skilled trades personnel, and/or other employees. The Noise Control Committee has the responsibility to seek input from plant personnel in identifying noise sources and potential ways to reduce noise levels.

The Noise Control Committee will meet regularly, record minutes and report quarterly to the Joint Safety Committee regarding progress on the Noise Abatement Plan. The annual evaluation will include:

1. Copies of the plant's noise abatement program;
2. A summary of audiometric tests;
3. The number of employees that experienced standard threshold shift;
4. The number of employees that are required to wear hearing protection;
5. The number of employees at risk of exposure at or above 85 DBA;
6. The number of employees at risk of exposure above 90 DBA;

7. **Hazardous Material Review**

Effective control of hazardous materials will serve to protect the employees of NUMMI. The Company is committed to the goal of continuous reduction in the use of hazardous materials. This is

being accomplished through the implementation of a written program which established the Hazardous Materials Review Committee (HMRC). The HMRC will be co-chaired by the Environmental and Quality Control Engineering sections and its membership will include representatives from Purchasing, Security and the Safety sections, and the UAW General Representatives for Health and Safety and Ergonomics and the UAW Coordinator for Health, Safety and Ergonomics. The HMRC will define the hazardous material approval process and emphasize ongoing efforts to identify safer substitutes for new as well as materials currently in use. These efforts will be directed by the HMRC and are expected to reduce employee exposures and protect the environment.

8. **Training**

Development of the health and safety training plan and selection of safety trainers for hourly employees will be performed jointly with the Union, including such training performed by the Safety Section and the Engineering Training Center for Skilled Trades. The Company will use its best efforts to continue to use as trainers qualified hourly employees, where practical and desirable.

9. **Task Based Risk Assessment**

The Company will continue to develop its process for performing a task based risk assessment on all robotic and automated operations in the plant, with primary emphasis on the body shop. This assessment will include identification of task, hazards associated with each task, level of risk for each hazard and reasonable appropriate control measures, if any, to protect employees. Risk assessments will be documented.

10. **Contractor Safety**

The Company will maintain its Outside Contractor Safety Program. The program will include training for project managers, engineers and enforcement of guidelines. Engineers and project managers will monitor contractor performance on a regular basis.

11. Safety Coordinators

The Company recognizes the importance of hourly employees who function as members of the Section Safety Committees and are known as "safety coordinators." Safety coordinators will participate with the Group Leader in conducting inspections while the line is running, attending meetings and raising health and safety concerns. Safety coordinators will receive eight hours of health, safety and ergonomic training per year.

12. New Equipment

The Company will establish and implement a procedure of advance notification and involvement of Company and Union health and safety personnel in the review of new production equipment and machinery.

13. Confined Space Entry Procedure

The Company and Union will continue to improve the Confined Space Entry Program. All confined spaces will be posted, training will be provided for those employees that must enter confined spaces and those that issue permits. Necessary equipment will be made available and the program will be periodically monitored. The Company and Union will visit each confined space location and ensure that it is properly identified and marked.

XXVI. BULLETIN BOARDS

- 1.1 The Company will furnish eleven (11) bulletin boards to be used by the Union for posting of notices of meetings, elections, recreational events, and similar notices. Bulletin boards shall be glass enclosed and lockable. Notices referring to controversial matters shall not be posted. The bulletin boards shall be placed in conspicuous places on the Company's property, as agreed by both parties. Additional informational areas shall be provided for by mutual agreement.

- 1.2 All notices must be signed by the President or Chairperson of the Bargaining Committee prior to posting.

XXVII. PROHIBITION OF STRIKES AND LOCKOUTS

- 1.1 During the term of this Agreement or any extension thereof, there shall be no lockout of employees by the Company.

- 1.2 During the term of this Agreement or any extension thereof, neither the Union nor its agents or representatives will cause, engage in, or authorize its members to engage in any strike, sympathy strike, work stoppage, picketing, boycott, sick-out, slowdown or other concerted activity to interrupt work against the Company.

- 1.3 If any action or activity prohibited by Paragraph 1.2 occurs, the Company shall notify the Union and the Union shall notify its members to return to work and to cease the unauthorized stoppage.

- 1.4 Any employee who engages in any activity specified in Paragraph 1.2 above will be subject to discipline up to and including discharge subject to review by the Problem Resolution Procedure.

XXVIII. STANDARDIZED WORK**1. Description And Objective**

- 1.1 For some time prior to the execution of this Agreement, the Company has been utilizing a procedure for establishing and changing Standardized Work. Under this procedure, described in Appendix "C" and based on Toyota Production Methods, employees are encouraged and expected to participate with their Team Leaders and Group Leaders in designing and establishing Standardized Work. The objective of the Standardized Work procedure is to insure that employees work at a safe and reasonable pace, in the most efficient and safe manner, while maintaining quality standards. In the interest of safety, efficiency, best quality and other production needs, the Company may establish and change Standardized Work by continuing this procedure. The Standardized Work includes items such as required Manpower, Takt time, model mix, operation arrangements, tools, operation methods, and required times for performing operations.

- 1.2 As part of the New United Motor's production system, employees are expected to use their best efforts in performing the job within the Takt time and to alert their Group/Team Leader of production or quality problems. If the problem in production or quality is such that they cannot complete their tasks in the proper manner, they are expected, without being subject to discipline, to pull the cord or push the button to sound the alarm, and ultimately stop the line, alerting a Group/Team Leader of the problem. If the problem is of a recurring nature, the employees will work together to KAIZEN the operation according to the procedure set forth in Appendix "C".
- 1.3 The Company will explain and discuss monthly production schedules with the Union for mutual understanding, at the **monthly General Manager Meeting**. This meeting will be held monthly for discussion of production related matters, including three (3) month production forecast, manpower balance between sections, assembly line Takt time, model mix, and estimated scheduled overtime.
2. **Procedure For Review Of Standardized Work Problems**
- 2.1 Problems relating to Standardized Work or production standards shall be subject to the procedures set forth in this Article.
- 2.2 The purpose of this procedure is to establish a method consistent with our philosophy of mutual trust and respect whereby the Union and Company jointly assess Standardized Work concerns which are not resolved through reasonable and best team effort by first involving **Team Leaders and Team Members on the team, from both shifts.**
- 2.3 Any employees who have a problem with Standardized Work, that has not been resolved by using the best team effort (refer to 2.2) shall discuss their concern with the Group Leader. The Group Leader will initiate a Standardized Work Assessment and Tracking (SWAT) form. If a proposed resolution between the Group Leader and employees has not

been reached within ten (10) working days from the date the employee(s) first addressed the problem to the Group Leader, the Group Leader shall submit the SWAT form to the Production Assistant Manager, Team Member Relations Representative, District Committee Person and Team Member.

- 2.4 The Production Assistant Manager will meet jointly with the Group Leaders, Team Leaders and District Committee Persons from both shifts to conduct a fact-finding investigation. This investigation will include, but not be limited to the following:

- a) Review of Standardized Work charts, manpower, and current Kaizen efforts (if any) to improve work process/sequence on both shifts;
- b) Ergonomic assessment ;
- c) Evaluate current processes on both shifts (to determine how Team Members are performing the operations);
- d) Nature and extent of training received by the employee(s);
- e) Tooling and process; and
- f) Quality and location of stock.

- 2.5 Upon completion of the investigation, the **Production Manager** of that section will review the specific nature of the problem and make appropriate correction(s).

- 2.6 If, within twenty (20) working days from completion of the investigation, the problem is not resolved by the Section Management, the Assistant General Manager of the department and a Bargaining Committee member will review the findings of the SWAT investigation and implement a resolution. If the problem is not resolved at this step, the

monthly General Manager Meeting will be utilized and the General Manager and Chairman of the Bargaining Committee will reinvestigate as needed for resolution of the problem. If the problem is not resolved at this level, either party may call upon the V.P. of Manufacturing and the UAW V.P. for final resolution of the problem.

- 2.7 Both parties agree to utilize this procedure in the event that problems arise. This procedure shall be the exclusive remedy for any problem on Standardized Work or work standards.

XXIX. GENERAL PROVISIONS

1. Definitions

For the purpose of this contract:

Department shall be defined as that "area" which is Vice President or General Manager responsible.

Example: Manufacturing

Section shall be defined as that "area" which is included in a Department and is Manager responsible.

Example: Assembly-Truck, Paint-Passenger

Group shall be defined as that "area" which is included within a Section and is Group Leader responsible.

Example: Trim II

Team shall be defined as that "area" which is included within a Group and is Team Leader responsible.

Example: Team 1, 2, 3, etc. in Trim II Group

2. Medical

Employees, required to undergo a medical examination by the Company as a result of job requirement or to diagnose a medical condition, may have a third party physician (appointed by the employee's physician and the Company's medical advisor) resolve

any dispute between the Company and the employee on the findings of the Company's medical examination.

3. Report Pay And Call-In Pay

- 3.1 Any employee called to work, or permitted to come to work without proper notification that there will be no work, shall be provided with four (4) hours work or, at the Company's option, four (4) hours pay in lieu of work at the employee's regular straight-time hourly rate. The employee must remain available for work until assigned or released by the Company.

- 3.2 This Section shall not apply if conditions beyond the control of the Company interfere with work being provided or notice being given.

4. Skilled Trades And Apprenticeship Training

- 4.1 The parties mutually agree to establish and put into effect a comprehensive system for Skilled Trades and Apprenticeship Training. This system shall include an annual meeting in September with the UAW/NUMMI joint committee on skilled trades/apprenticeship/training in which the anticipated technology changes and the anticipated number of apprentices is discussed. Future plans and changes to equipment shall be considered to determine skilled trades training needs. Factors to consider when forecasting apprenticeship needs include targeted headcount, actual headcount, retirements, attrition, business needs, and projects.

- 4.2 A Joint Union-Management Committee on Skilled Trades/Apprenticeship/Training shall be responsible for designing and implementing such a system, and to advise the Union Representatives (designated in Article VIII) and the Human Resources Department regarding matters related to Skilled Trades.

- 4.3 The Committee shall consist of equal numbers of Company and Union Representatives. The UAW General Representative for

Skilled Trades/Apprenticeship/Training shall be one of the Union members of the Committee.

4.4 Prior to hiring or transferring a Team Member to Division II, the Company will review the applicant's journey person's credentials with the Chairperson of the Bargaining Committee or designee.

4.5 Training of NUMMI's Maintenance personnel is critical to our success and progress. Our employees' skills can be improved through class room, hands-on and on the job training. Specific training classes must be focused on the skills necessary for the employee to grow in knowledge and at the same time meet the needs of current and new technology being implemented in machinery, equipment and process systems. The Training Center and Maintenance Sectional Management shall coordinate, track, and ensure that a target of Ninety-six (96) hours of training be provided to each division II team member per year. The targeted Ninety-six (96) hours of training shall consist of approximately Forty (40) hours of relevant "cross training" performed in the Training Center approximately Forty (40) hours of "Shop Specific" training performed by the specific section requiring the training and approximately Sixteen (16) hours of required Safety Training provided by the Training Center and the Safety Department. Cross Training and Shop Specific Training shall have written objectives jointly developed by the Training Center and the Shop Maintenance Management for each course and shall have a "Hands On" proficiency evaluation to assure effective training, student comprehension and competency. Periodic reviews of these tasks shall be conducted and the results forwarded to the UAW skilled trades representative. Issues involving the number of team members trained and training schedules and changes (increase or decrease) to the allocation of the Eighty (80) hours of required training may be addressed during monthly Maintenance Training Center meetings and quarterly Sectional Maintenance meetings respectively.

Specific courses should be discussed and agreed upon through the joint efforts of the Chairperson of the Bargaining Committee and

the UAW Skilled Trades representative, or their designee(s), and management representatives.

Training and/or applicable certification will continue to be given through the Training Center in the following areas:

- Basic welding
- Maintenance shop machine, equipment and tools
- Basic electrical
- Safety
- Fall protection
- Lock Out/Tag Out
- Rigging

The training and/or applicable certification designated below may be given to employees who, after consultation with the Skilled Trades Committee and in the opinion of the Company, have the skills and aptitude to benefit from and apply them at work. Employees may be given training in the Training Center from among the following:

- Welding
- Industrial controls for electrical systems
- Programmable logic controls
- Hydraulics and pneumatics
- Machine shop technology for Die and Tool and Maintenance apprentices.
- Safety
- Confined space entry
- Low voltage electrical systems

4. When a new classification or department is established, involving work of any kind which has been performed by the bargaining unit or is related to any jobs, duties or functions of the bargaining unit, the Union will be notified, and, at the request of either party, negotiations will take place promptly as to whether such classification or department properly should be in the included or excluded group. If no agreement is reached, the matter shall be subject to the arbitration procedures of the Agreement.

5.1 Production Kaizen Teams shall have access to at least one (1) Division II member as a resource when the assignment requires this assistance. This Division II assistance will be provided as quickly as is reasonable.

6. **Non-Discrimination Against Union Activities**

6.1 The Company will not interfere with, restrain or coerce employees because of membership or lawful activity in the Union, nor will it, by discrimination in respect to hire, tenure or employment or any term of condition of employment, attempt to discourage membership in the Union.

6.2 The Union agrees that neither the Union nor its members will intimidate or coerce any employee in respect to his/her right to work or in respect to Union activity or membership, and further that there shall be no solicitation of employees for Union membership or dues during working time. The Union further agrees the Company shall take disciplinary action for any violations of this provision.

XXX. ENTIRE AGREEMENT AND WAIVER

1. **Entire Agreement And Waiver**

This Agreement constitutes the entire Agreement between the parties, except as modified by written side letters to this Agreement and signed by the Company's Vice President, Human Resources and the UAW Vice President. During the negotiations which resulted in this Agreement, each party had the right and opportunity to make demands and proposals on any subject or matter not removed by law from the area of collective bargaining. The understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Furthermore, for the term of this Agreement or any extension thereof, each party waives all statutory rights to bargain collectively over the subject matter of this Agreement.

2. **Separability**

If the applicable law renders invalid or unenforceable any of the provisions of this Agreement, the Company and the Union may agree upon a replacement for the affected provision(s). Such replacement provision(s) shall become effective immediately upon agreement of the Parties, without the need for further ratification by the Union membership, and shall remain in effect for the duration of this Agreement. The legal invalidity or unenforceability of provisions of this Agreement shall not affect the remaining provisions thereof.

XXXI. TERM OF AGREEMENT

1. **Effective Dates**

This Agreement shall be in effect from the 6th day of August, 2005, through 2:00 a.m. on the 8th day of August, 2009, and shall continue in effect from year to year unless either party provides the notice of intent to modify or terminate as set forth in Section 2 **Method Of Modification/Termination**

In order to modify or terminate this Agreement, the party seeking such modification or termination must give written notice to the other party of its intention to seek modification or termination of this Agreement at least sixty (60) days prior to the date on which this Agreement is due to expire. Failure to provide such timely notice will convert this Agreement into a year to year contract, with said sixty (60) day notice being required before this Agreement can be modified or terminated.

3. **Negotiations For A New Agreement**

Within ten (10) days after receipt of the notice to seek modification or termination described above, a conference will be arranged to negotiate proposals for a new contract, in which case this Agreement shall continue in full force and effect until terminated. In the event the parties are unable to reach agreement on a new contract before the expiration date of this Agreement then in effect, the parties may mutually agree, in writing, to extend this Agreement for the purpose of maintaining harmonious labor relations, pending the execution of a new agreement.

New United Motor.
Manufacturing, Inc

Y. Azuma
R. McCullough
S. Inaeda
W. Odisho
J. W. Potts III
R. Ponsonby
P. Fong
Y. Yamakado
J. Nelson
E. Winter
D. Johnson
D. Ciesco
J. Young
N. Higa
R. Petty
J. Oakson
D. Darab
J. Armstrong
R. Valentine
S. Torres
L. Gasper

International Union, United
Automobile, Aerospace and
Agricultural Implement
Workers of America, UAW

N. Gooden
J. Wells
T. Bressler
T. Bolte
E. Mays
J. Stackpoole
A. Miller
A. Connai

International Union, United
Automobile, Aerospace and
Agricultural Implement
Workers of America, UAW
Local 2244

V. Quesada
G. Nano
J. Contreras
C. Stimpson
J. Hernandez
J. Silva
R. Scott
J. Enos
E. Valdez
R. Grange
P. Rothschild
E. Parra

APPENDIX "A" - LUNCH PERIOD AGREEMENT

It is the intent and purpose of the parties to outline specific terms and conditions of a thirty (30) minute lunch period for all employees presently employed at the Company's Fremont, California plant as follows:

1. The Company shall continue to provide a thirty (30) minute lunch period.
2. The pay for this lunch period has been included within the agreed upon Base Wage Rate in Article XVII of the Labor Agreement.
3. Lunch time will not be treated as "hours worked".
4. Employees will not be required to eat at their work stations.
5. During lunch, employees will not be required to perform any duties.
6. During the paid lunch period, employees will be free to eat lunches and engage in any other conduct consistent with plant rules, but shall be required to stay within the building structure. If the employee leaves the building structure (the patio area is part of the building structure) during lunch, the employee's pay for that day will be reduced by the amount of money (1/2 hour x base rate plus COLA; the base rate calculated without the paid lunch period) that has been included in the agreed upon Base Wage Rate as Paid Lunch. Activities and/or movement in or on other parts of the Company property such as parking lots, shall not be permitted during the lunch period.
7. During the paid break periods, employees will be free to engage in any conduct consistent with plant rules, but shall be required to stay within the building structure. Activities

and/or movement in or on other parts of the Company property such as parking lots, shall not be permitted during the break period.

8. In the event of an early break or lunch, the Manager of the effected section will inform the team members as to the cause of the early break or lunch. Notification will be given by written posting throughout the section the following day.

9. If the applicable law renders invalid or unenforceable any of the provisions of this Agreement, the Company and the Union may agree upon a replacement for the affected provision(s). Such replacement provision(s) shall become effective immediately upon agreement of the Parties, without the need for further ratification by the Union membership, and shall remain in effect for the duration of this Agreement. The legal invalidity or unenforceability of provisions of this Agreement shall not affect the remaining provisions thereof.

APPENDIX "B"

1. Current Health Care Insurance Plans will remain in effect until September 30, 2005. The effective date of any modifications to benefits detailed in this Appendix "B" will be October 1, 2005 except as otherwise stated in this Appendix B. There will be an open enrollment period for such plans during the month of August 2005, and annually thereafter.

2. The Group Insurance Program, Health Care Insurance Program, Retirement Plan, Savings Plan, Reserve Fund Plan, Legal Plan, and Supplemental Workers' Compensation Plan are summarized in this Appendix. The interpretation and application of these plans will be in accordance with the provisions for the specific coverage as described in the official plan documents. The following are brief outlines highlighting significant features of each program and are not to be construed as specific terms and conditions of each plan.

3. The Benefits Outline in this Appendix "B" includes the following Plans:

- a. Group Insurance Program
 1. Life and ADD Insurance
 2. Temporary Disability
 3. Long-Term Disability
- b. Health Care Insurance Program
 1. Medical Insurance – H.M.O's – Comprehensive
 2. Dental Programs
 3. Vision Program
 4. Mental Health/Substance Abuse Program
 5. Part B Medicare
 6. Retiree Supplemental Health Insurance Plan (SHIP)
- c. Retirement Plan
- d. Savings Plan
- e. Reserve Fund Plan
- f. Legal Plan
- g. Supplemental Workers' Compensation Plan

4. Dependent as used in these plans means a) spouse, b) any unmarried child, step-child, or adopted child **or child in the process of being adopted** for whom employee has legal requirement to provide support who is under 19 years of age, c) any unmarried child, step-child, or adopted child for whom employee has a legal requirement to provide support who is under 25 years and who is a full time student (12 or more semester units or the equivalent) in an accredited institution, d) **any unmarried child, step child, or adopted child over 19 years of age who is totally and permanently disabled and incapable of providing self-support, and are currently enrolled in the team member's health plan, or e) domestic partner** (for purposes of medical, dental and vision programs). **In addition, and except in the case of domestic partners, dependents must be legally claimed by the employee as an exemption under Section 151 of the Internal Revenue Code for Federal income tax purposes. Team members must furnish the Company with a valid social security number for each dependent prior to or at time of enrollment. Failure to enroll a dependent within 30 days of eligibility including a life event shall result in the dependent waiting until the next open enrollment period. The provisions in this paragraph are effective immediately.**

5. Definition of a domestic partner: (a) be the same sex; (b) have filed a Declaration of Domestic Partnership with the Secretary of State in team member's state of residency; (c) have shared a continuous committed relationship for at least six months, intend to do so indefinitely and have no such domestic partner relationship with any other person; (d) reside in the same household; (e) share responsibility for each other's welfare and financial obligations; (f) not be related by blood ties closer than would bar marriage in the state; (g) be over age 18, of legal age and legally competent to enter a contract; (h) reside in a state where marriage between two persons of the same sex is not recognized as valid under law and; (i) not be married to any other person.

6. Dependents, for whom the team member has legal custody other than those defined in paragraph 4, are not eligible for coverage under the Company programs. However, existing dependents who are currently covered on Company plans and who are legal wards will be allowed to remain on all such plans until they reach age 19 with the provision that the team member pay for the monthly cost of providing coverage; such cost to be 25% of the family rate for the team member's selected benefit plans.

7. A dependent may not be covered for optional dependent life insurance by more than one (1) employee. In cases of conflict, the child will be allowed to be covered only by the team member with the greatest seniority.

8. When both husband and wife are employed by the Company, and desire different plans each may select their own medical and/or dental plan; however in no event will an employee be covered under more than one Company paid health plan. Dependents may be covered under either parent's plan, but not both. Team member hired on or after 10/1/2005 shall be covered by the same health plan as their spouse or qualified domestic partner.

9. Effective 10/01/05, team members and their dependents that receive any type of financial consideration from any party or entity for participation in these plans shall be terminated from and precluded from participation in the plans for any plan year in which they receive such financial consideration.

A. GROUP INSURANCE PROGRAM

1. LIFE INSURANCE

Type:	Term Insurance
Eligibility:	First day of the month following one (1) month of service
Employee	
Contribution:	None

Benefit:

Base Rate (\$)	Life Amount (\$)
19.58	50,000
19.97	51,000
20.06	51,000
20.45	52,000
20.57	53,000
20.98	54,000
21.05	54,000
21.38	55,000
21.40	55,000
21.80	56,000
22.04	56,000
22.38	57,000
22.45	57,000
22.70	58,000
22.82	58,000
23.15	59,000
23.51	60,000
23.77	61,000
23.84	61,000
24.02	61,000
24.25	62,000
24.50	63,000
24.98	64,000
25.17	64,000
25.23	65,000
25.33	65,000
25.68	66,000
25.83	66,000
26.45	68,000
26.57	68,000
26.60	68,000
26.65	68,000
27.10	69,000
27.18	70,000

27.49	70,000
27.74	71,000
27.92	71,000
27.97	72,000
28.00	72,000
28.04	72,000
28.29	72,000
28.53	73,000
28.88	74,000
29.13	75,000
29.39	75,000
32.34	83,000
32.99	84,000
33.98	87,000

Moral Exclusions: No benefit exclusion will apply for deaths due to intentionally self-inflicted injuries.

Accelerated Benefit: The Company will offer an accelerated death benefit payment option for a terminally ill employee who has a life expectancy not to exceed twelve (12) months. Team members would be eligible to receive up to 50% of their benefit early. Beneficiaries would receive the remaining benefits after death.

ACCIDENTAL DEATH & DISMEMBERMENT

Type: Term Insurance

Eligibility: First day of the month following one (1) month of service

Employee

Contribution: None

Benefit: 100% of company provided life amount if accidental death while on company business.

50% if accidental death while not on company business. Schedule of benefits for loss of limbs, hearing, speech, or sight.

OPTIONAL/SUPPLEMENTAL INSURANCE

Type: Term Insurance
 Eligibility: First day of the month following three (3) months of service.

Employee

Contribution: This is an optional plan that requires team member contributions to be made through monthly payroll deductions. Team Members on a Leave of Absence can pay the Company directly for their coverage.

Evidence of Insurability:

A statement of insurability will be required to purchase additional life insurance any time following original eligibility date.

Coverage**Options:**

I	\$10,000	V	\$50,000	IX	\$150,000
II	\$20,000	VI	\$75,000	X	\$175,000
III	\$30,000	VII	\$100,000	XI	\$200,000
IV	\$40,000	VIII	\$125,000		

Current monthly rates are available in the Benefits section of the Human Resources department.

Note: optional/supplemental life insurance coverage is subject to termination by carrier if the employee does not make premium payment to the Company the month prior to the month of coverage.

RETIREMENT LIFE INSURANCE:

Type: Term Insurance
 Eligibility: \$10,000 Group Insurance coverage will be provided to Team Members retiring on or after 1/1/95 who retired after attaining age 65 with 10 years of service.

DEPENDENT LIFE INSURANCE:

Type: Term Insurance
 Eligibility: Team Members are eligible to purchase on the first day of the month following three (3) months of service.

Employee

Contribution: This is an optional plan that requires team member contributions to be made through monthly payroll deductions. Team Members on a Leave of Absence can pay the Company directly for their coverage.

Coverage Options:

1. \$10,000 Spouse/ \$5,000 Dependent
2. \$15,000 Spouse/ \$7,500 Dependent
3. \$20,000 Spouse/ \$10,000 Dependent
4. \$25,000 Spouse/ \$12,500 Dependent
5. \$30,000 Spouse/ \$15,000 Dependent
6. \$35,000 Spouse/ \$17,500 Dependent
7. \$40,000 Spouse/ \$20,000 Dependent
8. \$45,000 Spouse/ \$22,500 Dependent
9. \$50,000 Spouse/ \$25,000 Dependent

Current monthly rates are available in the Benefits section of the Human Resources Department. Note dependent life insurance coverage is subject to termination by carrier if the employee does not make the premium payment to the Company the month prior to the month of coverage.

Evidence of Insurability:

A statement of insurability will be required to purchase life insurance any time other than original eligibility date.

2. TEMPORARY DISABILITY**Eligibility:**

First day of the month following six (6) months of service.

Employee

Contribution: None

Benefits Paid:

Certified disability due to illness or injury begins on eighth day away from work, and continues until recovery or 52 weeks, whichever is earlier.

Benefit:

Level of benefit determined by base hourly rate according to schedule. The benefit amount for any period that a Team Member is otherwise eligible for benefits during any period of disability occurring prior to the day one year of seniority is attained shall be approximately 75% of the benefit amount. Weekly payments will be the difference between amounts from legally required programs, such as State Disability or Social Security, and any eligible pay.

Base Rate	Weekly Benefit (\$'s)	75% Weekly Benefit (\$'s)
\$19.58	430	320
\$19.97	440	330
\$20.06	440	330
\$20.45	450	340
\$20.57	450	340
\$20.98	460	350
\$21.05	460	350
\$21.38	470	350

Base Rate	Weekly Benefit (\$'s)	75% Weekly Benefit (\$'s)
\$21.40	470	350
\$21.80	480	360
\$22.04	480	360
\$22.38	490	370
\$22.45	490	370
\$22.70	500	380
\$22.82	500	380
\$23.15	510	380
\$23.51	520	390
\$23.77	520	390
\$23.84	520	390
\$24.02	530	400
\$24.25	530	400
\$24.50	540	410
\$24.98	550	410
\$25.17	550	410
\$25.23	560	420
\$25.33	560	420
\$25.68	560	420
\$25.83	570	430
\$26.45	580	440
\$26.57	580	440
\$26.60	590	440
\$26.65	590	440
\$27.10	600	450
\$27.18	600	450
\$27.49	600	450
\$27.74	610	460
\$27.92	610	460
\$27.97	620	470
\$28.00	620	470

Base Rate	Weekly Benefit (\$'s)	75% Weekly Benefit (\$'s)
\$28.04	620	470
\$28.29	620	470
\$28.53	630	470
\$28.88	640	480
\$29.13	640	480
\$29.39	650	490
\$32.34	710	530
\$32.99	730	550
\$33.98	750	560

3. LONG-TERM DISABILITY

Eligibility: First day of the month following six (6) months of service.

Employee Contribution: None

Employee Benefits Plan: After 52 consecutive weeks of total disability or after final payment is made under the Temporary Disability, whichever is later.

Benefits: A team member will be considered disabled if they cannot perform any job available within the plant for which they may be eligible.

Duration: Disability resulting from a mental illness or substance abuse is limited to 24 months during an employee's lifetime.

Disabilities commencing prior to age 60: Benefits are paid while the team member remains totally disabled,

up to their length of service, or until their 65th birthday, whichever is earlier.

Disabilities commencing after age 50 for team members with 10 or more years of service will be paid until age 65 or until recovery whichever is earlier. Disabilities commencing on or after the 60th birthday, benefits are paid for fifty-four months, or equal to the seniority prior to the disability or until recovery, whichever is earlier, but not beyond the 70th birthday.

Level determined by base hourly rate according to schedule. Weekly payments will be the difference between amounts from legally required programs, such as State Disability or Social Security, and any eligible pay.

At normal retirement age benefits will be reduced by the amount of the normal retirement benefit payable.

Base Rate (\$'s)	Monthly Benefit (\$'s)
19.58	1790
19.97	1830
20.06	1840
20.45	1870
20.57	1890
20.98	1920
21.05	1930
21.38	1960
21.40	1960
21.80	2000
22.04	2020
22.38	2050
22.45	2060
22.70	2080

Base Rate (\$'s)	Monthly Benefit (\$'s)
22.82	2090
23.15	2120
23.51	2160
23.77	2180
23.84	2190
24.02	2200
24.25	2220
24.50	2250
24.98	2290
25.17	2310
25.23	2310
25.33	2320
25.68	2350
25.83	2370
26.45	2420
26.57	2440
26.60	2440
26.65	2440
27.10	2480
27.18	2490
27.49	2520
27.74	2540
27.92	2560
27.97	2560
28.00	2570
28.04	2570
28.29	2590
28.53	2620
28.88	2650
29.13	2670
29.39	2690

Base Rate (\$'s)	Monthly Benefit (\$'s)
32.34	2960
32.99	3020
33.98	3110

B. HEALTH CARE INSURANCE PROGRAM

1. MEDICAL INSURANCE

Eligibility:

First day of the month following seven (7) months of service. Team members will be given the choice of at least two HMO medical plans and must remain in the selected HMO until the first open enrollment period following forty-two (42) months of coverage.

After completion of the applicable HMO participation requirement, team members may enroll in any available health care option during the next open enrollment period except that effective 8/7/05, there shall be no new enrollments in the Blue Shield Plan.

Special consideration will be made for team members with extenuating circumstances. All plans do not apply any pre-existing condition rules to members before paying benefits.

HEALTH MAINTENANCE ORGANIZATIONS		
	HEALTH NET	KAISER
General:	Open panel HMO; services must be prescribed and administered by private physicians participating in the program.	A closed practice HMO. Services must be rendered at a Kaiser facility by a Kaiser physician.
Annual Deductible:	No cost	No cost
OUTPATIENT SERVICES:		
♦ Office Visits:	Plan pays after a \$15.00 co-pay	Plan pays after a \$15.00 co-pay
Surgery Physical Therapy. Diagnostic X-Ray & Lab Well Baby Care Pre-School Immunization AnnualPap Smears	No additional cost	No additional cost
	No additional cost	No additional cost for up to 2 months
	No additional cost	No additional cost
	No additional cost	No additional cost
	No additional cost	No additional cost
Hearing Exam	No additional cost	No additional cost
♦ Durable Medical Equipment	No cost	No cost
♦ Hearing Device	No cost for one device every 36 months	
HOSPITAL SERVICES:		
♦ Semi-Private Room	No cost	No cost
♦ Surgery	No cost	No cost
♦ Doctor Visits in Hospital	No cost	No cost
♦ Maternity	No cost	No cost

EXTENDED CARE:		
♦ Skilled Nursing Facility	No cost up to 100 days per year if 24-hour care necessary	No cost up to 100 days per year if 24-hr care necessary
EMERGENCY:		
♦ In Area	No cost if admitted	No cost
♦ Out of Area	No cost if admitted	No cost; emergency services only, until condition permits transfer to the nearest Kaiser facility.
♦ Ambulance	No cost if medically necessary	No cost if medically necessary
PRESCRIPTIONS:		
♦ Prescriptions	Plan pays after a \$10 Rx co-pay for up to a one-month supply. Maintenance prescriptions shall be covered through the mandatory mail order program for maintenance drugs.	Plan pays after a \$10 Rx co-pay for up to a one-month supply. Maintenance prescriptions shall be covered through the mandatory mail order program for maintenance drugs
♦ Mandatory Mail Order Program for Maintenance Prescriptions	Plan pays after a \$10 Rx co-pay for up to a three-month supply (maintenance drugs) but only through mail order program	Plan pays after a \$10 Rx co-pay for up to a three-month supply but only through mail order program

♦ Mandatory Generic Prescription Rx program	The plan only pays for generic prescription drugs, unless no generic is available.	
♦ Mental Health	Covered under stand-alone program (see B.4)	Covered by plan subject to co-pay

BLUE SHIELD COMPREHENSIVE PLAN:

General: A comprehensive plan. Employee may choose any physician. The amount of your benefit varies depending upon whether services are performed by a member of the Preferred Provider Organization (PPO) or a non-member physician. Second surgical opinion and pre-hospital admission review may be required. Benefit reductions will occur if these procedures are not followed. This plan does not apply any pre-existing condition rules to members before paying benefits. Effective 8/7/05, there shall be no new enrollments in this plan; team members and their eligible dependents may however enroll in one of the other available Company HMO medical plans.

	P.P.O.	NON-P.P.O.
Benefit:	When services are provided by a referred provider, the benefit is:	When services are provided by a non-preferred provider, the benefit is:
Employee Co-Payment For Premium	No cost	No cost
Annual Deductible:	No cost	\$150 per person; \$450 maximum per family
OUTPATIENT SERVICES:		
♦ Office Visits	Plan pays 80% of R&C after a \$15.00 co-pay	Plan pays 80% of R&C after a \$15.00 co-pay

♦ Surgery	100% of reasonable and customary charges (R&C)	80% of reasonable and customary charges (R&C)
♦ Physical Therapy	100% of R&C (Restricted to 60 treatments per year)	80% of R&C (Restricted to 60 treatments per year.)
♦ Diagnostic X-Ray & Lab	100% of R&C	80% of R&C
♦ Chiropractic Services	Limited to an annual maximum of 15 visits at a maximum of \$40 each.	
PREVENTIVE & DIAGNOSTIC:		
♦ Preventive care to 16 years	Plan pays 100% of R&C after a \$15.00 office visit co-pay for up to age 16 under guidelines of pediatric healthcare	Plan pays 80% of R&C after a \$15.00 office visit co-pay for up to age 16 under guidelines of pediatric healthcare
♦ Annual Pap Smear/ Exams	100% of R&C	80% of R&C
♦ Hearing Exam and Device	100% of R&C. Two every 36 months up to a maximum of \$500.	80% of R&C. Two every 36 months up to a maximum of \$500.

HOSPICE:

Hospice care will be provided if a member has been diagnosed as having a terminal illness with life expectancy of six months or less.

HOSPITAL SERVICES:

(limited to 365 days per confinement)

◆ Semi Private Room	100% of R&C	80% of R&C Non-emergency services to maximum of \$600 per day
◆ Surgery	100% of R&C (See General Description)	80% of R&C (See General Description)
◆ Doctor Visits in Hospital	100% of R&C	80% of R&C
◆ Maternity	100% of R&C	80% of R&C
EXTENDED CARE:		
◆ Skilled Nursing Facility	100% of R&C up to 730 days per confinement	80% of R&C up to 730 days per confinement
◆ Home Health Care	100% of R&C up to \$30,000 annual maximum	80% of R&C up to \$30,000 annual maximum
EMERGENCY:		
◆ In Area	100% of R&C	80% of R&C
◆ Out of Area	100% of R&C	80% of R&C
◆ Ambulance	100% of R&C if medically necessary	100% of R&C if medically necessary
PRESCRIPTIONS:		

◆ Prescription

Plan pays after a \$15 Rx co-pay for up to a one-month supply. Maintenance prescriptions shall be covered through the mandatory mail order program for maintenance drugs.	Plan pays 75% of R&C after a \$15 Rx co-pay for up to a one-month supply. Maintenance prescriptions shall be covered through the mandatory mail order program for maintenance drugs.
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◆ Mandatory Mail order Program for Maintenance Prescriptions

Plan pays a \$15 Rx co-pay for up to a three-month supply but only through mail order program.	Not available
--	---------------

◆ Mandatory Generic Prescription Rx Program

The plan only pays for generic prescription drugs, unless no generic is available.

MENTAL HEALTH CARE:

◆ Mental Health	Covered under stand-alone program (see B.4)	Covered under stand-alone program (see B.4)
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CLARIFICATIONS:

- ◆ Pancreas transplants are a covered benefit when done in conjunction with a kidney transplant.

- ♦ Mammography screening guidelines will be per American Cancer guidelines.

2. DENTAL PROGRAMS

Eligibility: On the first day of the month following seven (7) months of service. Team members must enroll in Delta Care until the first open enrollment period following six (6) months of coverage. At that time, all options will be available.

DELTA CARE (DMO)

Service is provided by dentist in designated network of providers. Cost of services will be paid only if provided by dentist in network and in accordance with schedule below.

Annual Deductible	No deductible
Maximum Benefit:	No maximum
Diagnostic & Preventive ⁽¹⁾	No cost
Basic	No cost
Crowns, bridges and dentures	Per fee schedule.
Orthodontics (Adults & Children)	Team Member pays \$1,250 plus start up fees

- (1) Diagnostic and preventative procedures are services such as oral examinations, x-rays, prophylaxis (cleaning, fluoride treatment).
- Prophylaxis (cleaning) covered to a maximum of two times per year if documented periodontal disease exists
 - Blewing x-rays are limited to two times per year unless medically necessary
 - Full mouth x-rays allowed once every two years unless medically necessary

DELTA PREFERRED (DPO)

The amount of benefit varies depending upon whether services are performed by a member of the Dental Provider Organization (DPO) or a non-member dentist.

	Preferred Provider	Non-Preferred Provider
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Annual Deductible	No deductible	No deductible
Diagnostic & Preventive ⁽²⁾	100%	100%
Basic	80/20%	80/20%
Crowns and cast restorations	80/20%	80/20%
Prosthodontics	50/50%	50/50%
Orthodontics (Adults & Children)	50/50%	50/50%
Calendar year maximum	\$1,500	\$1,400
Orthodontic lifetime maximum	\$1,700	\$1,700
Accidental Injury additional lifetime maximum	\$1,000	\$1,000
Cosmetic Bonding for Children (8-19)	90% of reasonable & customary (R&C) for cosmetic bonding of eight front teeth for children if required because of severe tetracycline staining, severe fluorosis, hereditary opalescent dentin or amelogenesis imperfecta. To be paid not more than one time in any three (3) consecutive calendar years.	

- (2) Diagnostic and preventative procedures are services such as oral examinations, x-rays, prophylaxis (cleaning, fluoride treatment).
- Prophylaxis (cleaning) covered to a maximum of three times per year if documented periodontal disease exists
 - Blewing x-rays allowed once per year unless medically necessary
 - Full mouth x-rays allowed once every five years unless medically necessary

3. VISION PROGRAM

Eligibility: First day of the month following seven (7) months of service.

General**Description:**

The Plan is designed to cover basic visual needs. The program utilizes panel doctors for greatest benefit coverage. If non-panel members are used, benefits may be less than stated.

Premium:

No cost to the employee.

Deductible:

\$15 deductible (includes exam, lens, frame package)

Examination:

Once every 12 months from last date of service.

Lenses:

One set every 24 months from last date of service unless required due to allowable prescription change, in which case every 12 months.

Frames:

One pair every 24 months from last date of service.

Additional:

Modest charges for blended lenses, non-prescribed contact lenses, oversize lenses, photo chromic lenses, some tinted lenses, progressive multi-focal lenses, lens coating or laminating, and frames costing greater than plan allowance.

4. MENTAL HEALTH-SUBSTANCE ABUSE PROGRAM**Eligibility:**

On the first day of the month following seven (7) months of service.

General**Description:**

Team members and their eligible dependents are eligible to receive mental health benefits from the mental health and substance abuse stand-alone program except as provided in this paragraph. Effective 8/7/2005, Kaiser enrollees shall receive mental health benefits directly from the Kaiser medical plan, except that Kaiser enrollees who are currently undergoing treatment under the stand-

alone program shall be allowed to complete such treatment.

BENEFITS:		Network Providers	Non-Network Providers
INPATIENT			
♦ Mental Health	100% (45 days max. per episode)	\$450 co-pay per admission 50% UCR* (45 days max. per episode)	
*UCR - Usual and Customary Rate			
♦ Substance Abuse	100% If not completed: No co-pay for 1st course of treatment not completed. \$750 co-pay for any subsequent course of treatment not completed. (45 days max. per episode)	\$450 co-pay per admit 50% UCR If not completed: No additional co-pay for 1st course of treatment not completed. \$750 additional co-pay for any subsequent course of treatment not completed. (45 days max. per episode)	
OUTPATIENT			
♦ Mental Health	Visits 1-20 100%; Visits 21-52 \$10 co-pay	\$150 annual deductible 50% UCR	

♦ Substance Abuse	100% 50% if not completed	\$150 annual deductible; 70% UCR. If not completed. No additional co-pay for 1st course of treatment not completed. \$750 additional co-pay for any subsequent course of treatment not completed.
♦ Day or Night Care	100% if completed 50% if not completed (90 day limit per episode)	50% UCR If not completed: No additional co-pay for 1st course of treatment not completed. \$750 additional co-pay for any subsequent course of treatment not completed. (90 day limit per episode)
♦ Psycho-logical Testing	Covered as a MH visit	Covered as a MH visit

MAXIMUMS ALLOWED:

♦ Lifetime	100 day inpatient care for mental health and substance abuse combined.	Combined with In-Network. 100 day inpatient care for mental health and substance abuse combined.
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5. PART "B" MEDICARE

Company will pay the Part B Medicare Premium cost for retirees (retired at age 65 years or over with 10 years of service), and for employees on total and permanent disability (until loss of seniority pursuant to Article XI of the Collective Bargaining Agreement), per the schedule shown below. Effective 10/1/98, the Company will also pay Part "B" Medicare premiums for early retirees that retire after attaining age 62 with 10 years of service and those retirees that participated in the **Company-sponsored early retirement windows** held in 1999 and 2002 once they turn 65.

The Company will only provide reimbursement for Medicare Part B if it is not provided through any other employer.

Team Members/Retirees must request reimbursement from the Company Benefits Department in writing. If a Team Member Retiree fails to make a reimbursement request in a timely manner, the maximum retroactive reimbursement will be (3) months Part B premium.

The lesser of the amount required by law, or: Effective Dates
\$63.60 8/7/05 – 8/8/09

6. RETIREE SUPPLEMENTAL HEALTH INSURANCE PLAN (S.H.I.P.)

Effective Date: Restated Effective August 1, 1998

Eligibility:

Team Members: Retired on or after 8/1/98 at age 62 or over with 10 years seniority at retirement ("Eligible Retirees") and his/her spouse or surviving spouse.

Company

Contributions: For the period 8/7/05 through 8/1/09, the Company will only be required to make a contribution of \$1,000,000 to the Retiree Supplemental Health Insurance Plan (S.H.I.P.).

Administration: The Company's Plan Administrator and Joint Committee (3 Company, 3 UAW, and a third party appointed by the Committee to resolve disputes)

Benefits:

The Plan Fund will pay for:

- The Kaiser Senior Advantage Medicare Risk Plan ("Base Plan") with benefit levels substantially equivalent to the Company's existing Kaiser HMO Plan for actives; or
- An alternate supplemental Medicare Insurance Plan to a maximum reimbursement of 125% of the Base Plan ("Alternate Plan");
- The Company will offer an alternate HMO Medicare Risk Plan.
- If a person covered under this program resides outside of the service area covered under the Base Plan or the Company's Group Supplemental Plans, the Company will provide payment for another alternate plan selected by the insured person, not to exceed 125% of the cost of the Base Plan.

Coverage Options:

	BASE PLAN	ALTERNATE PLAN 125% OF BASE PLAN	ACTIVE PLAN
Retiree	X	X	
Spouse 65 or over	X	(same HMO as retiree) X	
Spouse 60-64		(same HMO as retiree) X	X (same HMO as retiree)
Spouse under 60		(same HMO as retiree) X	
Surviving spouse 65 or over	X	X	
Surviving spouse 60-64		X	X
Surviving spouse under 60		X	

- Coverage for Surviving Spouses will cease upon their remarriage.
- No dual coverage will be allowed under the Company's plans for employee/retiree(s) who both work(ed) at the Company.

Limitations:

- If Plan assets are not adequate to provide full payment of benefits, the Company agrees to contribute to the SHIP Plan up to an additional \$1,000,000 during the term of this Collective Bargaining Agreement and the Plan Committee will consider this a mutually satisfactory measure to ensure continuation of benefits.
- If comparable health coverage is provided by General Motors Corporation, Ford Motor Corporation, or any other employer to the retiree or spouse as subscriber, that individual will not be